



CALIFORNIA CLIMATE ACTION STUDY TRIP:

AB 32/Global Warming Solutions Act Fact Sheet

Summary:

Establishes first-in-the-world comprehensive program of regulatory and market mechanisms to achieve real, quantifiable, cost-effective reductions of greenhouse gases (GHG).

Makes the Air Resources Board (ARB) responsible for monitoring and reducing GHG emissions. Continues the existing Climate Action Team to coordinate statewide efforts.

Authorizes the Governor to invoke a safety valve in the event of extraordinary circumstances, catastrophic events or the threat of significant economic harm, for up to 12 months at a time.

Requires ARB to:

- Establish a statewide GHG emissions cap for 2020, based on 1990 emissions by January 1, 2008.
- Adopt mandatory reporting rules for significant sources of greenhouse gases by January 1, 2008.
- Adopt a plan by January 1, 2009 indicating how emission reductions will be achieved from significant GHG sources via regulations, market mechanisms and other actions.
- Adopt regulations by January 1, 2011 to achieve the maximum technologically feasible and cost-effective reductions in GHGs, including provisions for using both market mechanisms and alternative compliance mechanisms.
- Convene an Environmental Justice Advisory Committee and an Economic and Technology Advancement Advisory Committee to advise ARB.
- Ensure public notice and opportunity for comment for all ARB actions.
- Prior to imposing any mandates or authorizing market mechanisms, requires ARB to evaluate several factors, including but not limited to: impacts on California's economy, the environment, and public health; equity between regulated entities; electricity reliability, conformance with other environmental laws, and to ensure that the rules do not disproportionately impact low-income communities.
- Adopt a list of discrete, early action measures by July 1, 2007 that can be implemented before January 1, 2010 and adopt such measures.

AB 32 Timeline:

By July 1, 2007	The State Air Resources Board (ARB) forms Environmental Justice and Economic & Technology Advancement advisory committees.
By July 1, 2007	ARB adopts list of discrete early action measures that can be adopted and implemented before January 1, 2010.
By Jan 1, 2008	ARB adopts regulations for mandatory greenhouse gas (GHG) emissions reporting. ARB defines 1990 emissions baseline for California (including emissions from imported power) and adopts that as the 2020 statewide cap.
By Jan 1, 2009	ARB adopts plan indicating how emission reductions will be achieved from significant sources of GHGs via regulations, market mechanisms and other actions.
During 2009	ARB staff drafts rule language to implement its plan and holds a series of public workshop on each measure (including market mechanisms).
By Jan 1, 2010	Early action measures take effect.
During 2010	ARB conducts series of rulemakings, after workshops and public hearings, to adopt GHG regulations including rules governing market mechanisms.
By Jan 1, 2011	ARB completes major rulemakings for reducing GHGs including market mechanisms. ARB may revise the rules and adopt new ones after 1/1/2011 in furtherance of the 2020 cap.
By Jan 1, 2012	GHG rules and market mechanisms adopted by ARB take effect and are legally enforceable.
Dec 31, 2020	Deadline for achieving 2020 GHG emissions cap.